

**IN THE
COMMONWEALTH OF VIRGINIA
REAL ESTATE BOARD**

In Re:

Xin Tao
Herndon, VA 20171

File Number 2001-02473
License Number 0225048492

CONSENT ORDER NUMBER: 2004-0032

Respondent Xin Tao ("Tao") was at all times material to this matter a licensed Real Estate Salesperson in Virginia (No. 0225048492).

As a result of this status, Tao recognizes and acknowledges being subject to and bound by the Regulations of the Real Estate Board ("Board"), as well as by all other applicable Virginia laws.

A violation of these Regulations has been reported and investigated, and Tao knowingly and voluntarily waives any proceedings for this matter under the Administrative Process Act, §§ 2.2-4019, 2.2-4020, and 2.2-4021 of the 1950 Code of Virginia, as amended.

Board's 1999 Regulations provides:

18 VAC 135-20-200. Grounds for disciplinary action.

The board has the power to fine any licensee or registrant, and to suspend or revoke any license issued under the provisions of Title 54.1, Chapter 21 of the Code of Virginia, and the regulations of the board, where the licensee has been found to have violated or cooperated with others in violating any provision of Title 54.1, Chapter 21 of the Code of Virginia, Title 6.1, Chapter 1.3 of the Code of Virginia or any regulation of the board.

The Board's duly designated representative has found sufficient evidence to believe that:

COUNT I

On or about October 1, 1999, Velayudhan Rajan (Rajan), as a buyer, entered into an Exclusive Right to Represent Buyer Agreement with United Realty, as broker. Li Ye (Ye) signed the Exclusive Right to Represent Buyer Agreement as Sales Associate for United Realty.

On or about October 31, 1999, Rajan and Nair Maya, as purchasers, entered into a Purchase Agreement with Pulte Home Corporation (Pulte), as seller, for the purchase of a house to be constructed at 2397 Dakota Lakes Drive, Oakton, Virginia.

Ye hired Xin Tao, dba, Cindy Tao (Tao), a friend, as an assistant and paid her twenty dollars (\$20.00) per hour. Ye gave Rajan's telephone number to Tao because Rajan was interested in purchasing a house in Tao's neighborhood.

Tao brought the subject buyers to Peter Stuart (Stuart), the sales representative for Pulte, for the first time on the day of contract signing. Tao presented her business card to Stuart. Tao's business card identified the firm she was working for as Century 21 South Lakes Realty. Tao and the buyers sat through a two-hour contract presentation. Stuart prepared a Customer Information Sheet for the subject transaction, showing the sales agent as Tao and her firm as Century 21 South Lakes Realty. Pulte does not negotiate house prices; the buyers, Stuart, and Tao discussed options for the house the buyers chose to purchase. Pulte used its own sales contract. About six weeks later, Tao came into Stuart's office and told Stuart that she had changed her firm affiliation to United Realty and was working in partnership with Ye. Stuart then changed the Request for Referral Fee form to reflect this new information.

Stuart knew who Ye was and she was not involved in the subject transaction. Rajan has never met or talked to Ye.

Records of the Real Estate Board dated February 12, 2001, reveal that Tao's license was placed on inactive status on August 6, 1999, and was again activated on January 24, 2000. Code of Virginia § 54.1-2106.1(C) states that no individual shall act as a salesperson without a salesperson's license from the Board.

Tao's misrepresentation that she was a real estate licensee, when in fact her license was inactive, is a violation of the Board's January 1999 Regulation 18 VAC135-20-300(9).

COUNT II

On or about October 1, 1999, Velayudhan Rajan (Rajan), as a buyer, entered into an Exclusive Right to Represent Buyer Agreement with United Realty, as

broker. Li Ye (Ye) signed the Exclusive Right to Represent Buyer Agreement as Sales Associate for United Realty.

On or about October 31, 1999, Rajan and Nair Maya, as purchasers, entered into a Purchase Agreement with Pulte Home Corporation (Pulte) for the purchase of a house to be constructed at 2397 Dakota Lakes Drive, Oakton, Virginia.

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Stuart knew who Ye was and she was not involved in the subject transaction. Rajan has never met or talked to Ye.

On April 2, 2001, Tao stated to the Board's agent, Carol Wright, that Ye paid her twenty dollars (\$20.00) per hour in cash for her assistance with the subject purchasers. In a letter dated April 30, 2001, Tao's attorney, Patricia A. Collins, stated that to thank Tao for her assistance in being a "guide" and "sounding board" for the purchasers, Ye gave Tao a small gift.

Records of the Real Estate Board dated February 12, 2001, reveal that Tao's license was placed on inactive status on August 6, 1999, and was activated again on January 24, 2000.

Tao's acceptance of a commission or other valuable consideration as a real estate salesperson for the negotiation of the subject contract, from someone other than her principal broker at the time of the transaction, is a violation of the Board's 1999 Regulation 18 VAC 135-20-280(2).

The actions outlined above violate the following Board Regulations:

1999 Regulations

18 VAC135-20-300 Misrepresentation/omission.

Actions constituting misrepresentation or omission, or both, include:

9. Making any misrepresentation.

18 VAC 135-20-280 Improper brokerage commission.

Actions resulting in an improper brokerage commission or fee include:

2. Accepting a commission or other valuable consideration, as a real estate salesperson or associate broker, for the performance of any of the acts specified in Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1 of the Code of Virginia or the regulations of the board, from any person except the licensee's principal broker at the time of the transaction.

By signing this Consent Order, Tao acknowledges an understanding of the charges. Tao hereby admits to the violation(s) of the Board's Regulations and consents to the following term(s) by the Board:

On **Count I**, a monetary penalty of \$200.00 for violation of **the Board's 1999 Regulation 18 VAC135-20-300(9)**;

On **Count II**, a monetary penalty of \$100.00 for violation of **the Board's 1999 Regulation 18 VAC 135-20-280(2)**; and

Reimbursement of investigative costs to the Department in the amount of \$300.00, for a total of \$600.00 is hereby imposed.

The above monetary penalties, costs, or sanctions are to be paid/performed within thirty days of the effective date of this consent order. Tao acknowledges the monetary penalty and costs as a debt to the Commonwealth and agrees that in the event of a default, or the return of a check for insufficient funds, Tao will be responsible for a penalty fee of 10% and interest at the underpayment rate prescribed in § 58.1-15 of the 1950 Code of Virginia, as amended, and for all reasonable administrative costs, collection fees, or attorney's fees incurred in the collection of whatever funds are due.

Tao acknowledges that failure to pay the penalty, the costs, or to comply with all terms of this Order within the specified time period, shall result in the automatic suspension of Tao's license until such time as there is compliance with all terms of this Order. Tao understands the right to have this automatic suspension considered in an informal conference pursuant to the Administrative Process Act §§ 2.2-4019 and 2.2-4021 of the 1950 Code of

Virginia, as amended, but knowingly and voluntarily waives any rights to the proceeding and hereby waives any further proceedings under the Administrative Process Act §§ 2.2-4020 and 2.2-4021 of the 1950 Code of Virginia, as amended.

The effective date of this Order shall be the date of execution by the Board.

SEEN AND AGREED TO:



Xin Tao


8/5/03

Date

Printed Name and Title of Person Signing on behalf of Entity

CITY/COUNTY OF Fairfax
COMMONWEALTH OF VIRGINIA

Sworn and subscribed before me this 5th day of August, 2003.


Notary Public

My Commission Expires: Aug 31st 2003

SO ORDERED:

Entered this 4th day of September, 2003.

Real Estate Board

BY:


Louise Fontaine Ware, Secretary

COPY TESTE:

Custodian of the Records